

your health matters

Accelerated Benefits: An important feature in your Minnesota Life Group Universal Life (GUL) Insurance Policy

What is an Accelerated Benefit?
An accelerated benefit is a vehicle used to obtain a portion or the entire amount of your death benefit *before* your death. As an enrollee in the Group Universal Life (GUL) Insurance program, you have the option of having an *accelerated benefit* paid to you *if* you have a terminal condition. A terminal condition is defined as a "condition caused by sickness or accident which directly results in a life expectancy of twelve months or less." This definition is specific to the Minnesota Life GUL policy. The minimum benefit that can be accelerated is \$10,000 and the maximum benefit that can be accelerated is the total amount of your death benefit. As the primary insured, you may choose to accelerate only a portion of your death benefit provided the remaining amount left in your Certificate of Coverage equals \$25,000. This is called a partial accelerated benefit. Accelerated benefits do not include the accidental death amount payable under the Accidental Death & Dismemberment (AD&D) benefit.

Who can request an accelerated benefit? As the primary insured, you may request an accelerated payment of the insurance on your life or the life of a dependent insured under your GUL coverage.

When can an accelerated benefit be requested? An accelerated benefit can be requested any time, provided the following conditions are met:

1. the insurance remains in force for you and all premiums due are current; and
2. you, as the primary insured, are the sole owner of the certificate of coverage; and
3. the certificate of coverage does not have an irrevocable beneficiary; and

4. application for the accelerated benefit is made in writing or through another method deemed satisfactory and available to Minnesota Life.

The primary insured may apply for a subsequent accelerated benefit at any time, however the total amount accelerated cannot exceed the amount of your death benefit. Minnesota Life may ask for further satisfactory proof that you continue to meet the referenced requirements to receive an accelerated benefit.

What effect does utilization of an accelerated benefit have on your death benefit? If the full amount of the death benefit is accelerated for that insured, all benefits under the Certificate of Coverage for that insured will end. If the full amount of the death benefit is accelerated for you as the primary insured, the Certificate of Coverage will terminate and any dependents insured under your Certificate of Coverage will be allowed to convert their insurance to an individual policy.

If a partial amount of the death benefit is accelerated, your Certificate of Coverage will remain in force and the death benefits will be reduced by the amount accelerated. As a result, the following are reduced in the same proportion as the reduction in the death benefit if the insurance being accelerated is insurance on the life of the primary insured:

1. the face amount of coverage; and
2. the net cash value; and
3. the loan principal, if applicable.

The cost of the insurance for the primary insured will also decrease as a result of the reduction in the face amount of the insurance.

How is an accelerated benefit paid?
Minnesota Life will pay the accelerated benefit in one lump sum or in any other manner mutually agreeable with Minnesota Life. Additionally, Minnesota Life will pay the accelerated benefit to the primary insured, unless the primary insured validly assigns it to another beneficiary. Benefits received in the form of an accelerated benefit may be taxable. Please seek the assistance of a tax advisor prior to requesting an accelerated payment of the death benefit from Minnesota Life.

Want more information or have questions? Contact Minnesota Life directly at 1-877-215-1489 or via email at lifebenefits@minnesotalife.com. Customer service representatives are available to assist you Monday through Friday, 8:00 a.m. – 7:00 p.m. (ET).

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